
THIRD READING

Bill No: ACR 40
Author: Fong (D) and Celeste Rodriguez (D), et al.
Introduced: 2/21/25
Vote: 21

SENATE EDUCATION COMMITTEE: 7-0, 6/25/25
AYES: Pérez, Ochoa Bogh, Cabaldon, Choi, Cortese, Gonzalez, Laird

SUBJECT: Student financial aid: Free Application for Federal Student Aid (FAFSA) data

SOURCE: Author

DIGEST: This resolution states the Legislature and the State of California's commitment to protecting, to the fullest extent of the law, all the data and information provided by students and their families to California's postsecondary education.

ANALYSIS:

Existing federal law:

- 1) The federal Privacy Act of 1974 (Public Law 93-579, as amended) prohibits the disclosure of an individual's data from a system of records without written or verbal consent, and the landmark 1982 United States Supreme Court decision, *Plyler v. Doe* (1982) 457 U.S. 202, held that states cannot constitutionally deny students a free public education based on immigration status.
- 2) The Family Educational Rights and Privacy Act (FERPA) is a federal law that affords parents the right to have access to their children's education records, the right to seek to have the records amended, and the right to have some control over the disclosure of personally identifiable information from the education records. When a student turns 18 years old, or enters a postsecondary institution at any age, the rights under FERPA transfer from the parents to the student

(“eligible student”). (20 U.S.C. § 1232g and 34 Code of Federal Regulations Part 99)

Existing state law:

- 3) Declares that the attainment of education for the betterment of the individual and the community is paramount regardless of one’s immigration status, protects undocumented students from fear and discrimination in educational institutions, and prohibits police from providing or retaining personal information and immigration status for immigration enforcement purposes. (Education Code § 220-221)

This measure:

- 1) Resolves all of the following:
 - a) That the Legislature of the State of California denounces any deportation plans that would disrupt the education of students.
 - b) That the Legislature and the State of California maximize state resources and investments to ensure that all students, regardless of their immigration status or that of their parents or spouse, can access all forms of financial aid available to them, as well as enroll and succeed in postsecondary education.
 - c) That the Legislature and the State of California commit to protecting, to the fullest extent of the law, all the data and information provided by students and their families to California’s postsecondary education.
 - d) That the Chief Clerk of the Assembly transmit copies of this resolution to the author for appropriate distribution.
- 2) Makes several findings and declarations regarding the negative impacts that the Trump administration’s threat of mass deportation has had on the completion rates of student aid applications. This decline is attributed to the fear of sharing information with federal authorities.

Comments

- 1) *Need for this bill.* According to the author, “California’s higher education system and financial aid infrastructure serves millions throughout the state. The FAFSA is the primary form that millions of students use to apply for financial support and afford tuition for college. The FAFSA collects various data, including information on whether or not a student or parent is a U.S. citizen. Unfortunately, due to threats and concerns from actions emanating from the federal government, we have seen a decline in applications which directly threaten the ability of our students to access and complete their education. We must ensure all students have the opportunity to attend and receive a postsecondary education, especially those from underserved communities.”

The author further asserts, “ACR 40 reaffirms the state’s commitment towards ensuring access to higher education through all forms of financial aid and protecting student information.”

- 2) *FAFSA.* The United States Department of Education (USDE) administers the FAFSA. It is the core document used to determine eligibility for all major federal and state financial aid programs, including Cal Grant, Pell Grant, institutional aid at the University of California and the California State University, work-study awards, scholarships, and federal student loans. Because financial aid for college considers the cost of attendance and a family’s ability to pay in determining eligibility for financial aid, the FAFSA completion requires personal information such as income and tax information and a social security number. The FAFSA Simplification Act came into effect in 2020. According to the California Student Aid Commission (CSAC), “The new FAFSA for the 2024-25 academic year introduced significant changes to the way students and families apply for and submit a FAFSA, which introduced barriers for many students, but especially for those in mixed-status families who are now required to undergo a substantial burden of proof compared to their peers. A key change to the FAFSA includes a direct data exchange of federal tax information with the Internal Revenue Service (IRS) intended to simplify and shorten the historically lengthy application. For such direct data exchange to occur, federal law requires that individuals (referred to as “contributors”) whose information is required to determine students’ eligibility (the applicant themselves, as well as their parent(s) or spouse) consent to the disclosure of their individual IRS data. The U.S. Department of Education’s Office of Federal Student Aid (FSA) now requires all contributors to create their own StudentAid.gov account for purposes of providing individual consent to such

data sharing. The process for non-Social Security Number contributors to create a StudentAid.gov account requires such individuals to manually verify their identity with FSA by providing copies of documentation with their name and/or address. CSAC has seen a 32 percent decrease in FAFSA submissions among California high school seniors from mixed-status families compared to 2023-24.”

- 3) *Mixed-status families.* The vast majority of high school and college students qualify for FAFSA application completion and can access both federal and state financial aid programs, including US citizen students with undocumented contributors such as parents or spouses. With the new FAFSA application changes, concerns regarding arrests, detention, and deportations of undocumented individuals under the Trump administration have been raised about data collected for the FAFSA and whether it may be used for purposes other than determining financial aid. Mixed-status families may face a difficult decision regarding the FAFSA application. They may have to choose between disclosing personal information to USDE about vulnerable contributors, and forgoing federal student aid opportunities, which may potentially affect their ability to finance their student’s college education. It is vital for students and families to be well informed about each option and to have choices regarding those options. This measure aims to solidify this state’s commitment to safeguarding the data and information provided by students and their families to California’s postsecondary education.

FISCAL EFFECT: Appropriation: No Fiscal Com.: No Local: No

SUPPORT: (Verified 6/26/25)

California Community Colleges, Chancellor’s Office

California Student Aid Commission

CFT - A Union of Educators & Classified Professionals, AFT, AFL-CIO

Community College League of California

Faculty Association of California's Community Colleges

University of California Student Association

OPPOSITION: (Verified 6/26/25)

None received

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**** **END** ****